

PREDEVELOPMENT FINANCE PROGRAM

The Predevelopment Finance Program is available to assist non-profit 501(c)3 housing sponsors cover predevelopment costs associated with the development of affordable rental developments that will have permanent CHFA financing. Eligible developments include five or more units of new construction, acquisition or acquisition requiring rehabilitation. Eligible costs include direct costs such as architectural or engineering costs, permits and related fees, land purchase or land holding costs, bonding fees and costs associated with debt financing. Maximum loan term is 24 months; repaid no later than construction loan closing.

Eligible Developments	Eligible developments consist of five or more units of new construction, acquisition, or acquisition/rehabilitation.
Eligible Borrower	Non-Profit 501(c)3 entities
Maximum Loan	\$250,000
Fees	1% Finance Fee due at time of loan disbursement.
Rate & Term (subject to change)	<ul style="list-style-type: none">3% - Interest only payments required.Maximum 24-month term repaid no later than construction loan closing. Loan is secured by a mortgage on the subject property or other collateral acceptable to the Agency. CHFA required approval of the site and development concept.
Eligible Costs	Loan proceeds may be used to pay for direct costs such as architectural or engineering costs, permits and related fees, land purchase or land holding costs, bonding fees and costs associated with debt financing. Loan proceeds may not be used for administration expenses or hard construction costs.
Disbursements	Loan funds shall be disbursed in increments of no less than \$10,000 upon submittal of receipted invoices.

Other Available financing options include:

[Taxable & Tax-Exempt Permanent Financing](#)

[Preservation Acquisition Financing](#)

[Tax-exempt Bridge Loan](#)

[Special Needs Development Financing](#)